

## CITY OF NORTHAMPTON

MAYOR DAVID J. NARKEWICZ

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## Mayor Announces Resolution of Pioneer Valley Hotel Group Lawsuit August 29, 2012

Mayor David J. Narkewicz today announced the resolution of a lawsuit filed against the City of Northampton in March 2010 by Pioneer Valley Hotel Group, Inc. The suit, <u>Pioneer Valley Hotel Group</u>, Inc. v. City of Northampton (Hampden Superior Court, No. 10-311), was filed in the wake of the City's decision not to grant further contract deadline extensions for the stalled hotel development project on its roundhouse parking lot site.

Under the terms of the settlement, Pioneer Valley Hotel Group will dismiss all of its damage claims against the City in exchange for \$12,500.00, which represents a partial refund of deposits paid to the City by PVHG as part of the hotel project.

"While I am confident that the City would have ultimately prevailed in Court, I am pleased that we were able to reach a settlement that avoids costly litigation, puts the failed hotel project behind us, and, most importantly, allows us to move forward with a new public process for the future redevelopment of this valuable downtown parcel."

Mayor Narkewicz will form a diverse committee of neighbors, downtown business owners, and city officials to lead a process seeking public input and ideas for the potential development of the site. The Mayor also intends to seek input and advice from the City Council and his Economic Development Advisory Commission (EDAC).

"I am committed to ensuring that we not only realize the full economic development potential of this city-owned land, but also to ensuring that any future project has strong community support and is in keeping with our historic and culturally vibrant downtown."

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